



PRESS RELEASE / APRIL 2021

Main findings from an MCA Survey on perceptions of businesses using MaltaPost's bulk mail services

The MCA surveyed 40 Maltese businesses using the postal bulk mailing service, reporting a minimum of 750 addressed letters in a year for marketing campaigns, and circulating printed bills and periodical documents amongst others.

Bulk mail concerns the delivery of 50 or more items with the same dimensions (in terms of size, weight and format). The postal delivery of the mail items is carried out by MaltaPost, with this activity falling part of the Universal Service that MaltaPost is expected to cover in its role of Universal Service provider.

Most of the businesses participating in the survey are satisfied with the service they are getting, but nonetheless reported that they are using the service less. Respondents indicate that bulk mail volumes are down compared to 2019. A good share of respondents also envisage that this trend is expected to continue given the digitally oriented environment surrounding businesses.

The survey was carried out via the use of video calls (using Microsoft Teams), between October and December 2021.

The following is a synopsis of the salient outcomes that emerged from this survey.

The Number of Bulk Mail Items Sent Yearly

Heavy users of bulk mail declined significantly since 2019. Items between 10,001 and 100,000 saw a drop of 9% from 2019 to 2021. Contrastingly, the number of respondents who send between 1,000 and 10,000 bulk mail items saw a rise, from 37% in 2019 to 45% in 2021.

Mail Volumes

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Bulk mail activity in 2021 declined in terms of volumes compared to the 2019 survey, with 53% of businesses using the bulk mail service (hereafter referred to as bulk mailers) saying that the number of letters sent remained the same. 30% indicated a decrease, whereas 17% of respondents say that they saw an increase in bulk mail volumes, with the majority of these claiming printed bills as the reason behind this.

Intention and Expected Future Use of the Bulk Mail Service

83% of respondents declared their intention to continue making use of the bulk mail service in the 12 months following this survey. From those indicating they will keep using the service, 64% anticipate no change in the volumes of letters to be sent. 27% anticipate a rise in volumes, whereas 18% are envisaging a decrease.

Frequency of Use

Bulk mailers are seemingly making less frequent use of the service. Use on a daily basis dropped in half from 2019 and weekly use decreased from 37% to 20%. Furthermore, the bulk mailers using the service on a monthly basis rose from 10% in 2019 to 25% in 2021, while bi-weekly frequency of usage remained at 10%. Another increase was recorded in the proportion of respondents making use of the service every 4 to 6 months (from 20% to 24%).

Use of Postcodes

The use of postcodes facilitates the sorting and distribution of postal articles and in assisting the postal operator in reducing the potential of mis-delivered mail and other delivery related errors. Bulk mail presented to the postal operator pre-sorted by postcode speeds up the sorting process of the operator. Significantly, 45% of bulk mailers have regularly included postcodes when sending out bulk mail items and 40% responded have used it occasionally. On the other hand, 13% never use postcodes.

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Moreover, 63% of bulk mailers did not ask MaltaPost to assist them in using the postcode as part of the address, suggesting that more awareness should be created about the service offered by MaltaPost.

75% of respondents reported that they pre-sort their items by post-code before being collected by MaltaPost.

Price reasonableness

10% of bulk mailers claim to have spent from €1,000 to €5,000 on the bulk mail service in a year, whereas annual expenditure rises to an amount in the region of €25,000 to €50,000 for 7% of bulk mailers.

As for the price charged for the service, which is currently regulated by the MCA, 55% of bulk mailers could not say whether these were reasonable or not (neutral stance), up from 41% in 2019. 20% of bulk mailers did say they find the prices as unreasonable, up from 10% in 2019. Slightly more than half of respondents within the latter segment also indicate they would not opt for an alternative if the regulated price were to increase by 5-10%, which suggests a level of dependency on the bulk mail service by organisations.

Alternatives to Bulk Mail if Prices increase

The number of respondents who would not consider shifting to an alternative non-postal service if there was a price-hike of 5-10% in bulk mail increased from 44% in 2019 to 53% in 2021. On the other hand, 61% would opt for alternatives, with the number of respondents who would consider switching to email was up by 8%, from 37% in 2019 to 45% in 2021, whereas other alternatives such as telephone, messaging and online platforms observed a decline, amounting to 3%, 5% and 8% respectively.

The postal service delivery week

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37% of the respondents would find the reduction of service availability from 6 to 5 days - i.e. in terms of the clearance and delivery of bulk mail items - as a major inconvenience. Meanwhile, 75% of respondents would be unwilling to accept a price increase for the 6-day delivery week to be maintained.

Deferred service for cheaper prices and acceptable lead-time

If prices had to be discounted for a deferred service, 32% of respondents say they would find it acceptable whilst 58% would not accept such trade-off as a viable alternative. A tenth of the respondents would consider the deferred period, depending on the urgency.

Shifts in what was considered as an acceptable lead time followed the previous trends, whereby preference towards a next-day delivery decreased to 40% whilst more than half of the respondents (55%) consider two days as an acceptable lead time.

Quality of Service

68% of respondents say that they are satisfied with the overall quality of MaltaPost's bulk mail postal services, whereas 25% felt neutral and 7% were not satisfied. In addition, 90% of respondents say they have never made a formal complaint with MaltaPost on the bulk mail service.

For a more comprehensive picture of the survey, a [presentation](#) of the main findings is available in presentation format on the MCA website.

Background to the survey function at the MCA

As regulator for postal services, the Malta Communications Authority (MCA) carries out market research on a regular basis. The aim of this market research is to guide the Authority's decisions, the effects of which are felt by businesses utilising the bulk mail service, by providing an additional source of information for such decisions.

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This survey forms part of a series of surveys examining households, businesses and bulk mailers use of postal services and is intended to assess the extent of satisfaction amongst bulk mailers with the services provided by MaltaPost, as well as to monitor a number of aspects related to the sustainability of postal services (such as price levels, quality and access).

Methodology and Fieldwork

The MCA Postal Perceptions Survey addressed to households was carried out by EMCS Ltd. on behalf of the MCA. Each questionnaire lasted around 20 minutes.

A total of 40 organisations using MaltaPost's bulk mail service were chosen as a representative sample. Respondents' identities are anonymous, and all relevant information will be presented in aggregate.

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